

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 000626

73

ORIGIN EUR-12

INFO OCT-01 ISO-00 /013 R

66619

DRAFTED BY EUR/RPE:JRMCCARTHY:CC

APPROVED BY EUR/RPE:JTMCCARTHY

----- 056093

R 032045Z JAN 75

FM SECSTATE WASHDC

TO USMISSION EC BRUSSELS

LIMITED OFFICIAL USE STATE 000626

THE FOLLOWING IS A REPEAT OF SECSTATE 000626 ACTION  
CANBERRA WELLINGTON DUBLIN SAN SALVADOR MEXICO SAN  
JOSE GUATEMALA MANAGUA TEGUCIGALPA SANTO DOMINGO  
PANAMA INFO PORT AU PRINCE LONDON OTTAWA BELIZE OECD  
PARIS GENEVA 02 JANUARY 1975. QUOTE:

LIMITED OFFICIAL USE STATE 000626

E.O.11652: N/A

SUBJECT: 1975 MEAT IMPORT PROGRAM

REF: (A) STATE 282970 (NOTAL); (B) STATE 282971 (NOTAL)

1. FOLLOWING QUESTIONS AND ANSWERS CONCERNING U.S. POLICY  
IN 1975 PURSUANT TO MEAT IMPORT LAW WERE PROVIDED TO  
DEPARTMENT PRESS OFFICE FOR GUIDANCE ON IF ASKED, RPT.  
IF ASKED, BASIS: BEGIN TEXT.

QUESTION: WHY IS THE U.S. SEEKING TO RESTRICT MEAT IMPORTS  
THROUGH VOLUNTARY ARRANGEMENTS AT A TIME WHEN U.S. FOOD  
PRICES ARE CONTRIBUTING TO INFLATION?

ANSWER: THE U.S. HAS RECOGNIZED THE NEED TO PROVIDE SOME  
ASSURANCE TO THE DOMESTIC LIVESTOCK INDUSTRY WHICH IS  
CURRENTLY FACED WITH SHARPLY INCREASED COSTS, DEPRESSED  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 000626

PRICES, AND SURPLUS NUMBERS OF CATTLE. FOR THE LAST SIX

MONTHS THE U.S. HAS BEEN THE ONLY OPEN WORLD MARKET FOR THE INCREASED MEAT SUPPLY BUILDING UP OVERSEAS DUE TO INCREASES IN CATTLE HERDS AND THE CLOSURE OF OTHER WORLD IMPORT MARKETS. BY VOLUNTARY ARRANGEMENTS WITH MEAT EXPORTING COUNTRIES, THE UNITED STATES CAN ASSURE U.S. CATTLEMEN THAT THEIR EFFORTS TO ADJUST TO CHANGED AND DIFFICULT ECONOMIC CONDITIONS IN 1975 WILL NOT BE DISRUPTED

BY A SUDDEN, UNCONTROLLED SURGE OF IMPORTS. WITH THIS ASSURANCE, U.S. CATTLE PRODUCERS WILL BE ABLE TO MAKE LONG RANGE PLANS WHICH WILL ASSURE ADEQUATE SUPPLIES OF BEEF IN FUTURE YEARS.

AT THE SAME TIME, THE U.S. HAS TAKEN INTO ACCOUNT THE NEED TO MAINTAIN ADEQUATE MEAT SUPPLIES TO CONSUMERS IN 1975. THE 1975 IMPORT LEVEL OF 1150 MILLION POUNDS ANNOUNCED BY THE SECRETARY OF AGRICULTURE IS ABOUT 85 MILLION POUNDS (EIGHT PERCENT) HIGHER THAN ESTIMATED 1974 IMPORTS. MEAT IMPORTED INTO THE U.S. IS MOSTLY OF THE LEAN MANUFACTURING GRADE AND DOES NOT ADD TO THE SUPPLY

OF CHOICE TABLE MEAT WHICH IS HIGHER PRICED.

QUESTION: HOW HAVE MEAT EXPORTING COUNTRIES REACTED TO THE U.S. REQUEST FOR VOLUNTARY EXPORT RESTRAINTS?

ANSWER: WE HAVE NOT YET RECEIVED DEFINITIVE REACTIONS. MOST COUNTRIES HAVE HOWEVER EXPRESSED APPRECIATION FOR THE RESPONSIBLE MEAT TRADE POLICIES THE U.S. HAS PURSUED DURING THE PAST YEAR:

--WE HAVE KEPT OUR MARKET OPEN WHILE OTHER MAJOR IMPORTING COUNTRIES (FYI: THE EUROPEAN ECONOMIC COMMUNITY, JAPAN, CANADA) HAVE DRASTICALLY CUT BACK MEAT IMPORTS;

--WE HAVE ENCOURAGED OTHER COUNTRIES TO REMOVE MEAT IMPORT RESTRICTIONS AND HAVE ENACTED RETALIATORY MEASURES IN ORDER TO BRING ABOUT THE REMOVAL OF CANADIAN RESTRICTIONS ON U.S. CATTLE AND MEAT EXPORTS; LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 000626

--WE HAVE COOPERATED IN INTERNATIONAL MEETINGS ON PROBLEMS OF THE WORLD LIVESTOCK AND MEAT ECONOMY AND ON PROPOSED COOPERATIVE ACTIONS FOR DEALING WITH THESE PROBLEMS (FYI, THE AUSTRALIAN-SPONSORED INTERNATIONAL MEAT MEETING IN WASHINGTON IN OCTOBER, THE AGRICULTURE AND TRADE COMMITTEES OF THE OECD, AND THE GATT);

--WE HAVE HELD BILATERAL AND MULTILATERAL CONSULTATIONS WITH MEAT EXPORTING COUNTRIES CONCERNING THE 1975 U.S. LIVESTOCK AND MEAT OUTLOOK AND TRADE POLICY OPTIONS UNDER THE 1964 MEAT IMPORT LAW.

QUESTION: DOES THE DEPARTMENT ANTICIPATE THAT IT WILL BE SUCCESSFUL IN NEGOTIATING EXPORT RESTRAINTS?

ANSWER: WE BELIEVE THAT EXPORTING COUNTRIES AGREE WITH US THAT VOLUNTARY RESTRAINTS ARE PREFERABLE TO MANDATORY QUOTAS WHICH WOULD BE THE ALTERNATIVE FOR 1975 UNDER THE TERMS OF THE MEAT IMPORT LAW. THIS PROVED TO BE THE CASE DURING 1968-1972 WHEN VOLUNTARY RESTRAINT PROGRAMS WERE NEGOTIATED SUCCESSFULLY. THE U.S., OF COURSE, REGRETS THAT CONDITIONS IN WORLD CATTLE AND MEAT MARKETS HAVE CHANGED SO DRASTICALLY THAT COUNTRIES HAVE CHOSEN TO RESTRICT TRADE IN ORDER TO PROTECT DOMESTIC PRODUCERS. WE HOPE THAT CONDITIONS WILL IMPROVE SO THAT WORLD TRADE IN LIVESTOCK AND MEAT CAN BE RESUMED ON A NORMAL BASIS AS SOON AS POSSIBLE.

QUESTION: HOW WOULD A VOLUNTARY RESTRAINT PROGRAM WORK IN 1975? HOW WOULD THE SHARES OF INDIVIDUAL COUNTRIES BE DETERMINED?

ANSWER: I AM NOT IN A POSITION TO DISCUSS THIS WHILE NEGOTIATIONS ARE IN PROCESS.

QUESTION: WILL CANADA BE INCLUDED IN THE VOLUNTARY PROGRAM? WHAT ABOUT THE RETALIATORY QUOTAS ON CANADIAN MEAT ALREADY IN EFFECT?

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 000626

ANSWER: THE QUOTA PLACED ON BEEF AND VEAL IMPORTS FROM CANADA ON NOVEMBER 16, 1974 WAS PART OF THE PRESIDENT'S ACTION UNDER SECTION 252 OF THE TRADE EXPANSION ACT TO BRING ABOUT REMOVAL OF UNJUSTIFIED CANADIAN IMPORT RESTRICTIONS ON CATTLE AND MEAT. THE PROPOSED VOLUNTARY

EXPORT RESTRAINT PROGRAM FOR 1975 HAS NO BEARING ON THIS QUOTA. I CANNOT COMMENT ON THE POSSIBILITY OF CANADIAN PARTICIPATION IN VOLUNTARY RESTRAINTS DURING 1975.

IF ASKED: POSSIBLE QUESTIONS CONCERNING U.S. POLICY TOWARD LATIN AMERICA

QUESTION: HASN'T THE SECRETARY RECENTLY MADE A

COMMITMENT TO THE LATIN AMERICANS THAT WE WEREN'T GOING TO SET UP NEW RESTRAINS ON THEIR TRADE WITH US AND WOULDN'T THIS ACTION FLY IN THE FACE OF THAT COMMITMENT?

ANSWER: THE SECRETARY, IN HIS CONFERENCE WITH THE HEMISPHERE'S FOREIGN MINISTERS A MEXICO CITY, DID SAY THE FOLLOWING: "I PLEDGE TO YOU TODAY THAT THE UNITED STATES WILL DO ITS UTMOST TO AVOID PLACING ANY NEW LIMITATIONS ON ACCESS BY LATIN AMERICA TO ITS DOMESTIC MARKET". EVIDENCE THAT WE HAVE INDEED DONE OUR UTMOST LIES IN THE FACT THAT WE HAVE REMAINED TO DATE AN OPEN MARKET FOR FRESH MEAT AND WE ARE AT THE MOMENT THE ONLY OPEN MAJOR MARKET ALTHOUGH OUR OWN LIVESTOCK INDUSTRY HAS HAD SERIOUS PROBLEMS. THE VOLUNTARY RESTRAINTS WE PROPOSE ARE VERY CLOSE TO OUR ESTIMATES OF WHAT WESTERN HEMISPHERE SUPPLIERS MIGHT SHIP TO US DURING 1975. IN THIS SENSE THE RESTRAINTS ARE TO PREVENT A FLOOD OF BEEF IMPORTS FROM SERIOUSLY DISRUPTING OUR MARKET SHOULD AN UNEXPECTED CHANGE IN MARKET CONDITIONS OCCUR; BUT THEY WOULD NOT SIGNIFICANTLY CUT BACK RECENT AVERAGE TRADE LEVELS FROM LATIN AMERICA. WE'VE RECENTLY CONSULTED THROUGH THE OAS ON THE MEAT PROBLEM AND THERE WAS SOME ACCEPTANCE THAT THIS APPROACH WOULD BE REASONABLE. END TEXT.

2. POSTS MAY DRAW ON ABOVE AS NECESSARY BUT SHOULD LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 000626

GENERALLY SEEK TO MINIMIZE PUBLIC STATEMENTS WHILE NEGOTIATIONS ARE IN PROGRESS.

UNQUOTE KISSINGER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE000626  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JRMCCARTHY:CC  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** SECSTATE WASHDC  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750178/aaaacqkf.tel  
**Line Count:** 206  
**Locator:** TEXT ON-LINE  
**Office:** ORIGIN EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 282970 (NOTAL), 75 STATE 282971 (NOTAL)  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 10 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <10 APR 2003 by KelleyW0>; APPROVED <16 MAY 2003 by MorefiRH>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** 1975 MEAT IMPORT PROGRAM  
**TAGS:** n/a  
**To:** EC BRUSSELS  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006